



Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

February 2, 2004

The Honorable Robert G. Woodson, Jr.
Chief Judge
County of Cumberland General District Court
P. O. Box 24
Cumberland, VA 23040

The Honorable William S. Kerr
Chief Judge
County of Cumberland Juvenile and
Domestic Relations District Court
P. O. Box 26
Appomattox, VA 24552

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Cumberland District Court for the period January 1, 2003 through December 31, 2003.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; and no material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Deposit and Record Daily Collections Timely

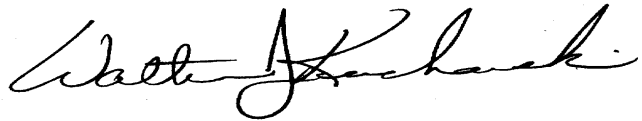
As noted in our previous audit, the Clerk continues to delay depositing the Court's daily collections. We noted delays of up to four business days before depositing daily collections in the bank. Further, the Clerk continues to delay recording deposits in the automated accounting system up to nine business days late. Delaying the deposit of court collections unnecessarily exposes the funds to a risk of misappropriation or theft. In addition, delaying recording deposits in the automated accounting system can result in unnecessary reconciliation differences and increases the risk of errors remaining undetected.

The Clerk should deposit daily collections in the bank each day. Also, she should record daily collections in the accounting system within one business day of receipt. Following the Financial Management

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System Manual and making timely deposits will reduce the risk of loss and error and ease the record keeping process.

We discussed these comments with the Clerk on February 2, 2004 and we acknowledge the cooperation extended to us by the Court during this engagement.

A handwritten signature in black ink, appearing to read "Robert J. Kucharski", is written in a cursive style.

AUDITOR OF PUBLIC ACCOUNTS

WJK:cam

cc: Carolyn Z. Helgeson, Clerk
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
LeAnn Lane, Court Analyst
Supreme Court of Virginia